



July 22, 2009

Dear Customer,

By now you have heard that **Washington** Governor Christine Gregoire signed **Senate Bill 5810** which became effective 7/26/09. (We have attached a copy of the Chaptered Bill as approved by the Governor for your reference). **This Bill has resulted in changes to servicing and foreclosing on delinquent loans made between 1/1/03 and 12/31/07 that were secured by residential real property and are owner-occupied.**

SB5810 amended Sections 61.24.005, 61.24.010, 61.24.040 ad 61.24.060 , 61.24.030 of the Revised Code of Washington (“RCW”) adding a new section to chapter 59.12 RCW, and providing an expiration date. **Section 2 added to chapter 61.24.030 (8) sets forth that the trustee, beneficiary or authorized agent may not issue a Notice of Default until 30 days after initial contact with the borrower is made as required under (b) of this subsection or 30 days after satisfying the due diligence requirements as described in subsection (5). Section (2) under RCW 61.024.030 (8) states that any Notice of Default issued 7-26-09 or after, must include a declaration from the beneficiary or authorized agent that it has contacted the borrower, tried with due diligence to contact the borrower or are exempt from the contact provisions.**

Attached, for your review are the following:

- **Foreclosure Loss Mitigation Form to be used when referring new foreclosures**
- **Declaration of the Beneficiary as to the actual holder of the Promissory Note**

If you, or your legal counsel, have already prepared declarations for this purpose, please review Section (9) of the bill whereas the code states the form of declaration to be provided by the beneficiary or authorized agent of this section must be in substantially the form which is attached. If your declaration(s) is in substantially the same format, please feel free to use those in place of our samples, providing they contain the necessary information.

Section 7 (2) RCW 61.24.010 is amended “ONLY upon recording the Appointment Of Successor Trustee in each county in which the Deed of trust is recorded, the successor trustee shall be vested with all powers of the original trustee”. Therefore, it will be necessary for you to execute and return the Appointment of Successor Trustee before we will be in a position to proceed with the posting and mailing of the Notice of Default.

Section 8 page 14 provides that “if the Deed of Trust is secured by residential real property, the Notice of Default must contain the name and address of the owner of any promissory notes or other obligations secured by the deed of trust and the name, address and telephone number of a party acting as a servicer of the obligations secured by the deed of trust. Therefore, at the time of referral, please provide our office with the name and address of the current beneficiary of the loan. We must also be provided with your address and phone number to be reflected on the Notice of Default.

Section 8 (7) (a) provides that before the Notice of Trustee’s Sale is recorded, transmitted or served the trustee shall have proof that the beneficiary is the owner of the promissory note or other obligation secured by the deed of trust. Also attached is a declaration stating that the beneficiary is the actual holder of the promissory note. It will be necessary for you to execute and return the Declaration to our office with the executed Substitution of Trustee. There will be a delay in the preparation of the Notice of Trustee’s Sale and scheduling of the sale date if the Declaration is not received within 30 days after our office mails the Notice of Default.

A new section is added to chapter 61.24 RCW (1) a tenant or subtenant in possession of a residential real property at the time the property is sold in foreclosure must be given 60 days written notice to vacate before the tenant or subtenant may be removed from the property.

To avoid delays in starting a foreclosure, we suggest you provide TD with a “Foreclosure Loss Mitigation Form” and the “Declaration of the Beneficiary as to the actual holder of the Promissory Note” on all new referrals starting 7-20-09.

A copy of this letter and attachments, as well as any updated information, will be posted on our website located at www.tdsf.com under the “Legislative updates” section.

If you have any questions concerning these declarations or SB5810, please don’t hesitate to contact me or the Operations Supervisor assigned to your account as listed below:

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We appreciate your continued support of T.D. Service Company.

Linda Kidder
Senior Vice President

Attachments: SB5810 Chaptered
Foreclosure Loss Mitigation Form
Declaration of the Beneficiary as to the actual holder of the Promissory Note